

S.2826 – The Strengthening Forgiveness for Public Servants Act

From the firefighters who keep us safe to the public school teachers who educate our children, people who pursue public service make meaningful contributions to their communities. The Public Service Loan Forgiveness (PSLF) program provides an important incentive for graduates to enter public service occupations by offering relief from student loan debt. Because of the increasing frequency of graduates facing crushing amounts of student loan debt, that incentive is more important than ever.

Unfortunately, the current PSLF program is structured as an all-or-nothing deal; unless you complete ten years of public service, even if you lose your job after nine years and eleven months, you don't receive any relief from your student loan debt. A number of factors, including budget constraints at all levels of government, threaten the ability of recent graduates to sustain a career in public service for ten years.

The Strengthening Forgiveness for Public Servants Act would enhance the incentive to enter public service by allowing graduates to receive loan forgiveness in proportion to their years of public service. The legislation would:

- Require new PSLF participants to submit an employment certification form in order to commence their participation in PSLF.
- Allow new PSLF participants to have their eligible Direct Loans placed in deferment (meaning participants would not make payments on their loans) during their public service.
- Allow new PSLF participants to have a certain percentage of their eligible Direct Loan balance cancelled after every two years of public service:
 - After 2 years: 15 percent of the original loan balance, along with any accrued interest, is cancelled
 - After 4 years: an additional 15 percent of the original loan balance, along with any accrued interest, is cancelled
 - After 6 years: an additional 20 percent of the original loan balance, along with any accrued interest, is cancelled
 - After 8 years: an additional 20 percent of the original loan balance, along with any accrued interest, is cancelled
 - After 10 years: the remaining 30 percent of the original loan balance, along with any accrued interest, is cancelled
- Apply to Federal Direct Loans made after the legislation's enactment date.

Congress must encourage graduates to serve their communities while alleviating the burden of student loan debt. Senator Warren is an original cosponsor of this bill.